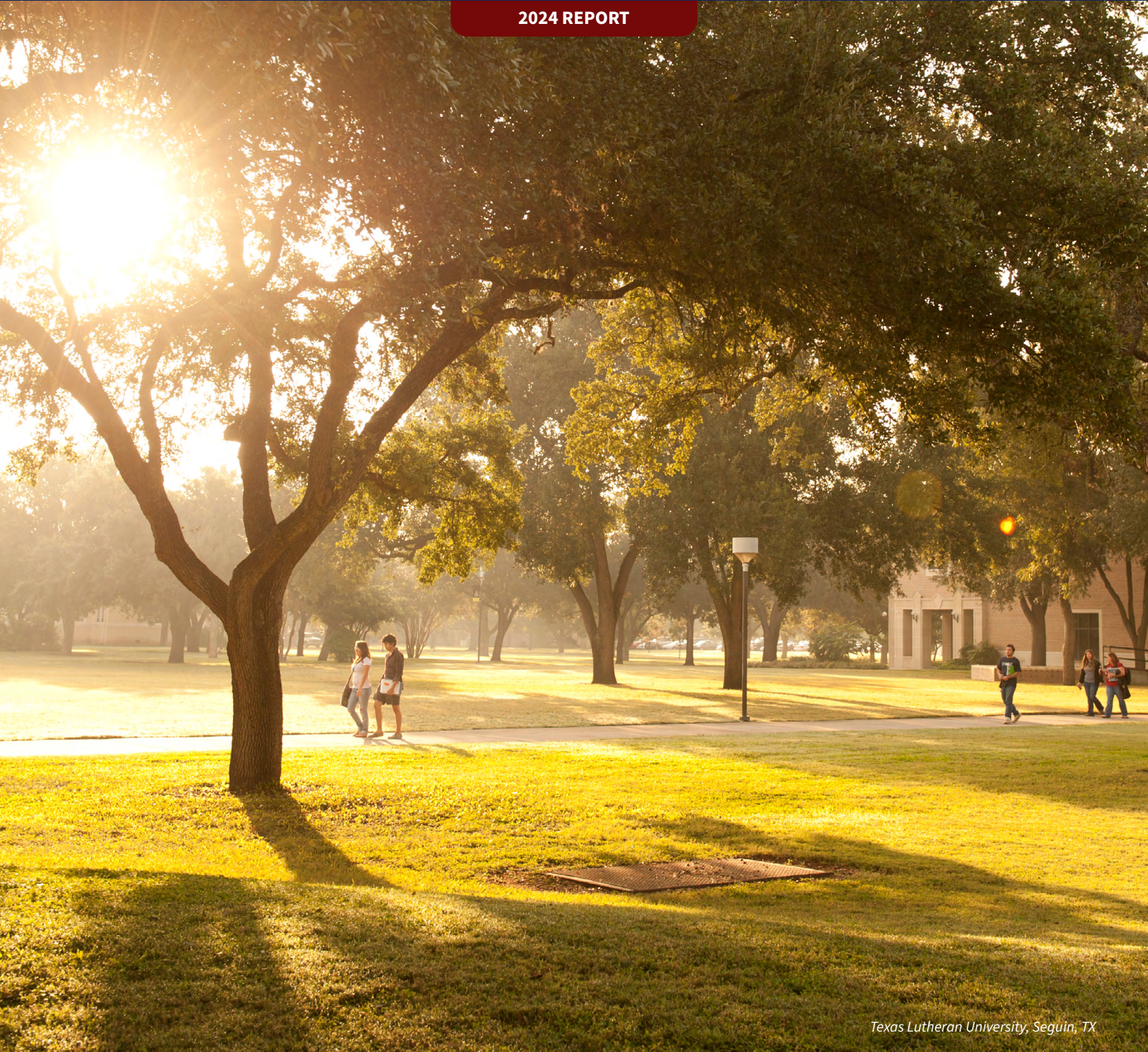




THE ECONOMIC IMPACT OF ICUT MEMBER INSTITUTIONS

# Executive Summary

2024 REPORT



*Texas Lutheran University, Seguin, TX*

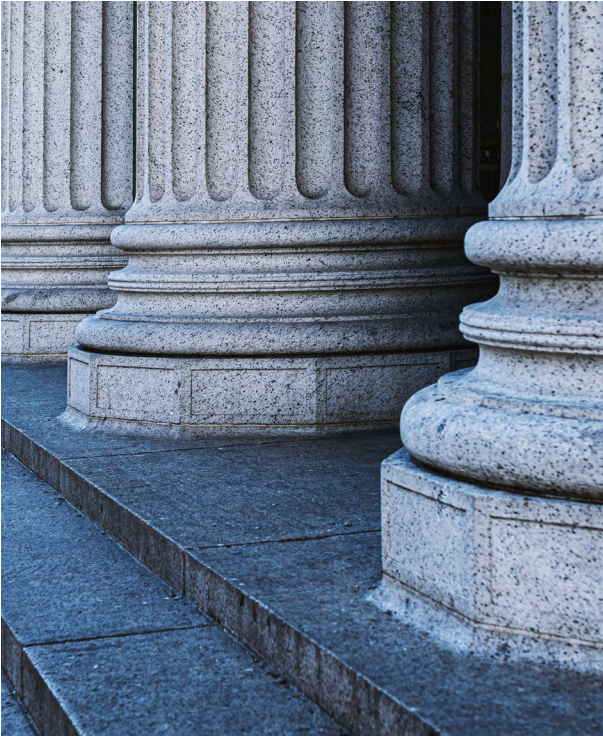
# The Economic Impact of ICUT Member Institutions

This economic impact analysis measures ICUT member institutions' contributions to the Texas economy through the total dollar value of economic activity generated and the associated job creation. Additionally, the analysis assesses the impact of recent graduates from ICUT members on the state's economy.<sup>iii</sup>

Independent Colleges and Universities of Texas (ICUT) supports the state's 41 fully-accredited, private nonprofit colleges and universities. These institutions play a crucial role in enhancing student success by improving students' career prospects and helping them reach their full potential. Additionally, these institutions contribute to Texas' economy through their day-to-day operations, attracting students and visitors, and creating new financial opportunities for their students and the state.

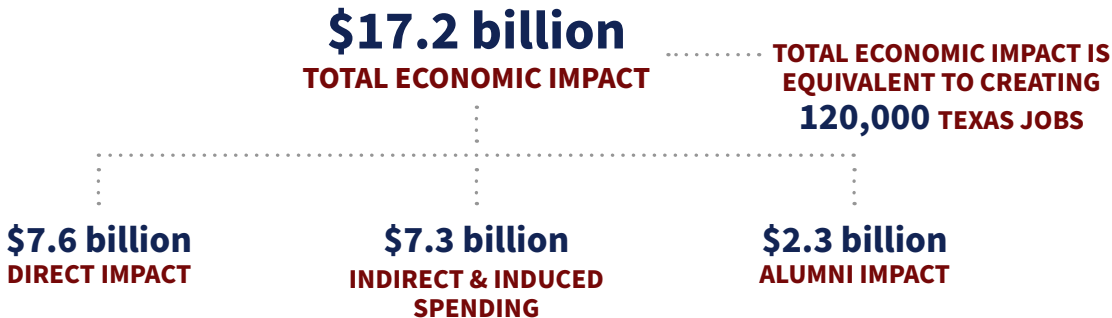
ICUT commissioned Trellis Strategies to examine the economic impact of ICUT member institutions in August 2024. This Executive Summary provides an overview of the full report which was published in January 2025.

effect). The multiplier effect generated an additional \$7.3 billion of indirect and induced economic impact. Additionally, recent ICUT alumni added \$2.3 billion to the Texas economy. This \$17.2 billion of economic activity is equivalent to the creation of 120,000 jobs at ICUT institutions and in their local economies.



## IMPACT ON TEXAS ECONOMY

This study finds that university expenses (university purchases and capital spending) along with employee purchases, student spending, and visitor spending from ICUT institutions had a total economic impact of \$17.2 billion in the state of Texas in fiscal year 2022. Initial direct spending by institutions generated \$7.6 billion in economic activity. This \$7.6 billion then circulated throughout the economy and created more spending in the regions of each ICUT member institution (known in economics as a multiplier



## IMPACT BY SECTOR

The impact of ICUT member activities ripples through local communities in Texas beyond the educational sector. University expenses – along with employee purchases and spending of students, visitors, and alumni – create economic demands fulfilled by other sectors. For example, students need local housing, institutions buy office supplies, out-of-town spectators need temporary lodging when they attend sporting events or commencement ceremonies, and building new classrooms requires construction materials. All these effects are reflected in the indirect and induced economic activities below.

Direct spending by ICUT institutions represented 52 percent of the total economic impact and is recorded in the Educational Sector of the economy. The indirect and induced spending, however, created an impact in many other sectors. Outside the educational service sector, the most impacted sector was Real Estate/Rental and Leasing. Real estate represented 25 percent of the indirect and induced impact, or 12 percent of the total economic impact. Other sectors that saw significant economic growth due to the spending of ICUT institutions were Retail and Wholesale Trade, Finance and Insurance, Health Care, and other service industries.

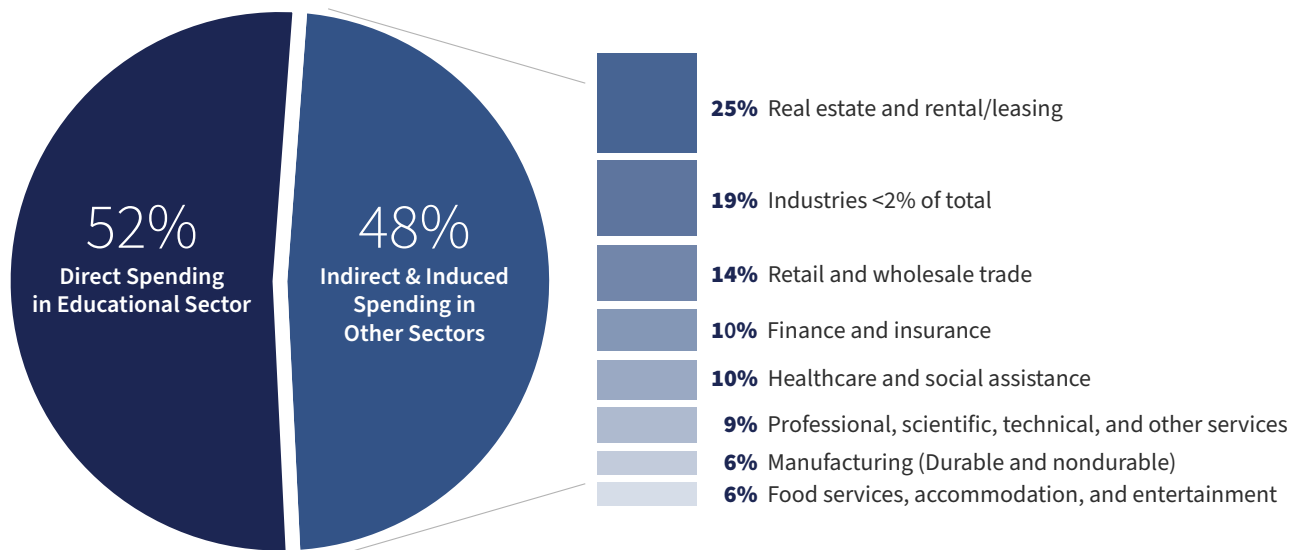


University of Dallas, Dallas, TX

### TOTAL ECONOMIC IMPACT

University Purchases	\$3,413,549,319
Employee Spending	\$5,268,828,971
Capital Spending	\$1,615,914,384
Student Spending	\$3,708,377,870
Visitor Spending	\$912,652,587
Alumni Wage Gain	\$2,264,413,374

## ECONOMIC IMPACT OF ICUT MEMBERS



## UNIVERSITY PURCHASES

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ICUT's member institutions engaged in significant spending on goods and services to cover annual operating expenses related to facility maintenance, professional services, and supplies. The day-to-day operations of ICUT members generated \$3.41 billion for the Texas economy. ICUT institutions spent \$1.75 billion in total purchases, excluding expenses for employees, depreciation, and interest payments. These purchases generated additional economic activities in their local economies that amounted to \$1.66 billion.

## EMPLOYEE SPENDING

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Employees received salaries and benefits from their universities. This money was then spent throughout the economy for housing, groceries, utilities, transportation, and other activities. Employees received a total of \$2.66 billion in salaries and benefits; this money was then spent, generating an additional \$2.60 billion in the economy. The total impact of employee spending is \$5.27 billion.

## CAPITAL SPENDING

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ICUT member institutions contributed to Texas' regional and state economies through spending on capital projects, such as new buildings, renovations, and other campus enhancements. ICUT institutions spent \$828 million on capital projects. The projects generated about \$787 million in additional economic activity; thus, the total impact of capital spending on the Texas economy was \$1.62 billion.

## STUDENT SPENDING

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Students at ICUT institutions contributed additional spending in their regional economies. In addition to tuition and on-campus room and board, their expenses in areas such as rent, transportation, food, and entertainment further stimulated the local economies surrounding each institution. Students spent around \$1.90 billion. This initial spending generated another \$1.80 billion in the economy. Therefore, the estimated total impact of enrolled-student spending at ICUT institutions was \$3.70 billion.

## VISITOR SPENDING

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The existence of a college attracts visitors to the area. Prospective students come to learn about the campus; sports fans attend various games; and others attend campus events such as seminars, exhibitions, and concerts. Visitors spent \$455 million annually on events held on ICUT members' campuses. This initial visitor spending created additional economic activity of \$457 million. In total, visitors to ICUT member institutions contributed \$912 million of economic activity to the Texas economy.

## JOBS CREATED

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The economic activity of ICUT members generated the equivalent of 119,497 jobs in the state of Texas. This figure includes jobs in ICUT member institutions themselves and in businesses that increased their economic activity in response to the demand generated by the universities. ICUT members directly employed 28,910 full- and part-time employees. The additional economic activity generated by the spending of the universities and their students, employees, and visitors created the equivalent of an additional 90,587 jobs in Texas.

## ALUMNI WAGE GAIN

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The universities provided skills and opportunities for students to obtain better jobs, be more productive, and increase their earnings. ICUT members awarded 99,195 undergraduate and graduate degrees in the past three years. Seventy-two percent of these alumni remained in Texas. These alumni earned \$1.43 billion more each year than they would have without their degrees. This salary increase was then spent in the economy and generated an additional \$836 million in economic activity. The total accumulated impact of alumni wage gain from alumni who graduated within the past three years was \$2.26 billion.<sup>iii</sup>

# Conclusion

ICUT institutions play a transformative role in Texas by delivering high-quality education to more than 125,000 students annually and serving as significant drivers of the state’s economic activities. This report demonstrates the substantial economic impact of ICUT member institutions, which contribute \$17.2 billion annually to the Texas economy. Through the institutions’ direct spending on operations; spending by employees, students, and visitors; and investment in capital improvement projects, ICUT members contribute \$7.6 billion directly to their local economies. This initial spending, combined with the increased earnings of ICUT member alumni, is then multiplied throughout local communities, adding an additional \$9.6 billion to the state economy.

As centers of learning and economic hubs, ICUT institutions contribute to the growth and sustainability of Texas’ workforce and economy. ICUT institutions create demand for goods and services across real estate, healthcare, retail, and more. ICUT members also foster job creation, supporting nearly 120,000 jobs across Texas. The influence of ICUT institutions

extends across many sectors of the economy, ensuring the benefits of education extend far beyond campus borders.

This analysis underscores the essential role of ICUT member institutions as both educators and economic engines. By continuing to invest in education and strengthening ties to their local economies, these institutions are poised to further enhance the economic and social fabric of Texas in the years to come.



## BRIEF NOTE ON METHODOLOGY

Using standard input-output analysis and RIMS II multipliers from the Bureau of Economic Analysis, the study evaluates the ripple effects of ICUT members’ operations, student spending, employee spending, and visitor spending on local industries and economies. The analysis quantifies the cascading impacts of spending through economic multipliers, which measure how initial expenditures generate broader economic activity. Another way to measure economic impact is to quantify the number of full- and part-time jobs that would be required to support the change in economic activity. Both of these measures are used to estimate the economic impact presented in this report.

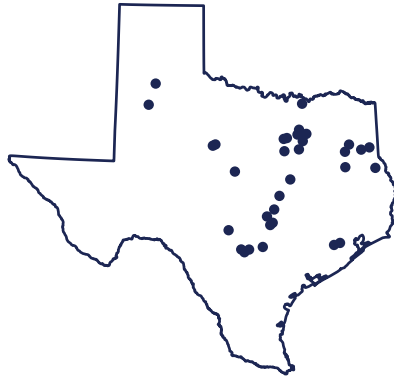
Additionally, the study examines the impact of alumni, whose enhanced earning potential contributes to regional and state economies through increased spending on goods and services, further driving economic growth in Texas. The study conservatively attributes three years of income growth to the universities’ impact on graduates, recognizing that salaries later in a graduate’s career are more significantly shaped by career advancements and skills acquired beyond their academic experience.

Complete details on the methodology used are available in the full report.

<sup>i</sup> This report includes 39 ICUT member institutions. Due to the unique nature of the institutions, Baylor College of Medicine and Hallmark University were not included in the study.

<sup>ii</sup> The economic impact of each institution on its local or regional economy (county or MSA) was calculated. These regional impacts were summed to determine the state level impact.

<sup>iii</sup> The number used represents a conservative alumni impact as it includes only recent graduates. Arguably, the salary gains of these alumni are mainly due to the degrees they received from ICUT institutions. Other factors such as work experience and career progression have more influence on salaries for those who have been working longer in their fields.



## 41 INSTITUTIONS contribute to our impact\*

Abilene Christian University.....	Abilene
Amberton University .....	Garland
Austin College .....	Sherman
Baylor College of Medicine.....	Houston
Baylor University .....	Waco
Concordia University Texas.....	Austin
Criswell College .....	Dallas
Dallas Baptist University .....	Dallas
East Texas Baptist University .....	Marshall
Hardin-Simmons University.....	Abilene
Houston Christian University .....	Houston
Howard Payne University.....	Brownwood
Huston-Tillotson University .....	Austin
Jacksonville College.....	Jacksonville
Jarvis Christian University .....	Hawkins
LeTourneau University .....	Longview
Lubbock Christian University.....	Lubbock
McMurry University .....	Abilene
Nelson University .....	Waxahachie
Our Lady of the Lake University.....	San Antonio
Parker University .....	Dallas
Paul Quinn College .....	Dallas
Rice University .....	Houston
St. Edward’s University .....	Austin
St. Mary’s University .....	San Antonio
Schreiner University.....	Kerrville
Southern Methodist University.....	Dallas
Southwestern University.....	Georgetown
Southwestern Adventist University .....	Keene
Texas Christian University.....	Fort Worth
Texas College .....	Tyler
Texas Lutheran University.....	Seguin
Texas Wesleyan University.....	Fort Worth
Trinity University .....	San Antonio
University of Dallas.....	Irving
University of the Incarnate Word.....	San Antonio
University of Mary Hardin-Baylor .....	Belton
University of St. Thomas .....	Houston
Wayland Baptist University.....	Plainview
Wiley University.....	Marshall
Hallmark University (Associate Member) .....	San Antonio

\*Due to the unique nature of the institutions, Baylor College of Medicine and Hallmark University were not included in the study.

## About ICUT

Independent Colleges and Universities of Texas (ICUT), a nonprofit association, is the voice for Texas' fully-accredited private colleges and universities. For over 50 years, it has fulfilled its mission of helping policymakers recognize the importance and value of the independent sector of higher education by successfully articulating its needs and aspirations.

### Our Mission

ICUT supports Texas independent nonprofit colleges and universities by strengthening member institutions through advocacy, policy research, and collaboration.

Specifically, our programs help our member institutions:

- advance educational opportunities for *students*,
- address financial needs of *families*,
- promote economic opportunities for *communities*,
- foster relationships with *businesses*, and
- inform and advise *policymakers*.

### Our Vision

ICUT will continue to be an integral, vibrant and sustainable component of the higher education landscape in Texas and will champion the diverse traditions, approaches, and populations of our member institutions. The higher education system in Texas is made stronger by including Texas' independent, regionally-accredited, nonprofit colleges and universities.

### Our Structure

A 501(c)(3) organization, ICUT has a full-time president and professional staff headquartered in Austin. ICUT is governed by a Board of Directors composed of the presidents and chancellors of its member institutions. ICUT members are all independent, nonprofit, fully-accredited colleges and universities located throughout the state.

## About Trellis Strategies




Trellis Strategies is a nonprofit strategic research and consulting firm dedicated to advancing postsecondary education and strengthening the workforce by delivering unparalleled insights into the student experience, from application through graduation.

With over 40 years of experience serving higher education institutions and helping students navigate complex processes, Trellis Strategies' dedicated team has the knowledge, insight, and experience to help organizations turn their data into action and action into results.

Learn more at [www.trellisstrategies.org](http://www.trellisstrategies.org)



Independent Colleges and Universities of Texas

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